

U.S. Senator Maria Cantwell

Senate Floor Speech

Semiconductors and the Supply Chain

March 24th, 2022

[\[VIDEO\]](#) [\[AUDIO\]](#)

Cantwell: Thank you, Mr. President. I come to the floor to talk about supply chain issues, but before I do, I wanted to say a word about March Madness and I'm pretty sure that most of my colleagues who know me think the next words out of my mouth are going to be something about a small Jesuit school in the eastern part of our state, but it's not. What I'm going to talk about is congratulating the Western Washington University Vikings women's basketball team Division Two final championship game players. The Vikings will be playing in the NCAA Division two championship after defeating North Georgia last night and a score of 74 to 68 and it was an outstanding performance by Brooke Walling, Emma Duff, and the entire team that represents people from all over our state. Emerson, Tumwater, Monroe, Vancouver Arlington, Marysville, Napa, Ferndale and various other places. I also want to congratulate head coach Carmen Dolfo, and who's been in, I think, 31st Season leading the Vikings and the fact that this is such a great accomplishment for the women of Western Washington.

I hope that we will continue to figure out ways to promote women's basketball in the NCAA tournament. I watched this game last night and saw a few people from our state who had made it there to cheer on the Vikings, but the stadium, the actual pavilion looked pretty empty and yet, I guarantee you it was great basketball. So we need to continue to encourage the NCAA to figure out ways to promote women's NCAA March Madness. There are great players, they're great teams, and they deserve to have the same kind of attention. So we'll look forward to cheering them on in that final NCAA Tournament, division two game.

Now, Mr. President, I'd like to come to the floor and talk about a continuation of our supply chain challenges that we're facing in the United States of America, particularly around the issues facing us and the high cost of cars, electronics, appliances, actually. You can say that our chip supply chain issues actually impact just about everything because yesterday, we had a hearing with major producers of chips, semiconductors in the United States, and also one of the witnesses who happens to be in the freight business because they produce trucks that are moving freight throughout the United States of America. They said the fact that they can't get these new generation trucks out the door because of the semiconductor shortage means that it's even impacting the cost of freight of every product.

So I implore my colleagues to come to the floor and support sending the bill back to the house telling them that we want to go to conference and get into conference as soon as possible. Those who want to delay this are just delaying the United States in our competition with the world in producing and manufacturing great products. If you don't have the best chips, if you don't have the manufacturing, you're not going to lead. We already know that in 2021, we needed 1.2 trillion chips per year. 2031 that is going to be 2 trillion chips per year. So we know that this shortage is going to continue far into the future unless we act. Why is it so important? Obviously, there are sectors like energy, transportation, high tech, communications, national security, they all depend on us acting. But believe it or not, there

are companies all throughout the United States right now who are looking at this issue on supply chain and saying, are we going to make moves to take the supply chain back into the United States right now? I'm saying they are making these decisions this month. They are making these decisions next month. But there are some here who think that we can dilly dally along and maybe take months and months and months to reconcile these two bills. They are absolutely wrong. I guarantee you the Europeans are not waiting. The Europeans have decided they are going to fund this investment. They're going to continue to move faster than the United States of America did decide to do the next level investment in semiconductors.

So are we just basically saying to those US manufacturers and other companies who have products well if you want the next generation chips maybe you should locate in Europe? Do not think that this is an idle issue. It is not. There is great competition for the demand for these semiconductors, but some here want to wait months and months and months before we get to the resolution of this issue. We need to send a signal to the market that the United States is determined to be a leader in this area that we're determined for our national security and manufacturing competitiveness that we're going to build the best chips in the world and for the supply chain, we want that supply chain here in the United States of America. But again, some of our colleagues here would like to wait months and months and months to have that debate.

Well, we've already waited 286 days since the Senate passed in a bipartisan measure this particular proposal. And now, again, people want to hold up this process, because they don't quite understand the pain at the pump.

Well, Mr. President, this is the demand increase that we're going to see in semiconductors, as I said, by 2030, there is a demand increase of 200%. There's a demand increase in the wireless sector - 60% by 2030. Consumer electronics - 80% by 2030. What are we waiting for? What are we waiting for? We know there's demand, we know that we can make these chips. We know as one of my colleagues said, if something happened with Taiwan, where they're making a lot of the leading-edge chips, the tables could be turned on the United States. What would we do then? They're not like a little situation, like we're talking about now where shortages and huge price increases, what would we do if the major supply coming out of Taiwan was affected? So we have to get busy here and work on this legislation, and start focusing on the fact that it is affecting our consumers right now.

The price increase for our consumers is 41% increase in the cost for a used car today. That's about, if you think about it, we estimated a car, used car, or truck that cost \$5,000, a year ago now cost \$7,000. So a 41% increase. That's \$2,000 that a young family that could be going on a vacation, or taking care of something in the house, or maybe making a down payment on a home, or buying groceries, or taking care of rent. Now they have an extra \$2,000, if they just want to get a car to get them to and from work. That's what we're talking about. We're talking about real impacts that are happening in real people's lives today. And some here are cavalier about these costs. They think this is all about how long are they going to wait until they give the President of the United States another victory. And that is a wrong approach.

The approach should be what are we going to do to deal with the high cost of products that we now don't have because of supply chain disruptions? And what are we going to do to resolve these issues. Now, I will debate anybody on either side of the aisle who do not want to move forward on this bill, because they don't like the approach. Maybe they don't like the concept of the United States making an investment here.

But I will tell you, it's very clear The United States has fallen behind, it's very clear, we went from 36% of the market down to 12%. And if we do nothing, we're going to fall even worse. And we won't have any of the supply chain here. It will be located in other places.

I know the American people get this in an intuitive fashion, the information age is run by semiconductors that increase their capacity to translate more to translate in the automobile, the voice activated commands to do the intricacies of communications. As I know, the presiding officer knows on the issues of communication and national security, we have to depend on these for our national security.

So we need to quit wasting our time here. These issues are, and my colleagues know well, come and make your vote - make your vote, but quit holding up a bipartisan discussion by both houses on facing a supply chain shortage that is affecting Americans every single day. And if you do nothing, this demand is going to continue to increase and we are going to continually be falling behind. So I plead with my colleagues, put this aside and vote the way you want to vote. But let's get to conference. Let's show the American people that we can collaborate on solving our supply chain problems on trying to be serious about sending signals to the automotive industry, to the communication sector to the national security sector, bring the supply chain back, put it here in the United States of America and let's get busy doing what we know how to do best and that's innovate and make America competitive.

I thank the President and I yield the floor.